

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor - Anthony G. Brown, Lt. Governor - John M. Colmers, Secretary

January 18, 2008

Dear DHMH Constituents:

When Governor Martin O'Malley appointed me as Secretary of the Department of Health and Mental Hygiene (DHMH), it was with the understanding that the state would make great progress in promoting the health and well-being of our State and in ensuring the delivery of high quality health care to all Maryland residents. After one year on the job, we have taken important steps towards our goals.

The most significant accomplishment in 2007 was the General Assembly's passage of the Working Families and Small Business Coverage Act during the special session. The Act will enable 100,000 more Marylanders to gain health coverage, by providing subsidies to small businesses that begin offering health care to their employees, and by expanding Medicaid eligibility for adults.

The Medicaid expansion will be phased in with a plan of responsible, sustainable financing. Right now Maryland payers already finance hospital uncompensated care. When people have access to health coverage, they can receive the care the need to prevent or manage health conditions, stay healthier, and ultimately reduce the need for higher levels of care, such as hospitalization. Savings from reductions in hospital uncompensated care can be reinvested to cover future expansions.

Two major accomplishments to promote the health of Maryland through reductions in tobacco use resulted from the 2007 regular and special sessions of the General Assembly. Last spring the Clean Indoor Air Act of 2007 passed. This law removes smoking from virtually every workplace in the State, thereby limiting non-smokers' exposure to second-hand smoke. The law goes into effect February 1, 2008. In addition, the cigarette tax will be increased by \$1.00 per pack. We know that tobacco taxes result in reduced tobacco consumption, particularly among young people.

Expanding coverage, improving quality, and controlling cost growth must be considered together to ensure that we receive value for our health care dollar and that Marylanders receive the best care possible. Nationwide we know that we need to make improvements in health care quality. Too often the care that is delivered does not follow evidence-based guidelines.

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In recognition of this, Governor O'Malley recently established the Maryland Health Quality and Cost Council through Executive Order. The Council will facilitate collaboration and make recommendations on health care quality improvement and cost containment initiatives across the public and private sectors. Maryland has long been a national leader in the delivery of care, and has the advantage of excellent medical centers and health care expertise on which to build these efforts.

Health information technology is one tool that has great potential for improving health care quality and increasing efficiency. Governor O'Malley has asked the Maryland Health Care Commission to move forward as quickly as possible to create a Health Information Exchange that allows patients and providers to share vital information on a real time basis. The Maryland Health Care Commission and the Health Services Cost Review Commission have collaborated on a two-phase strategic plan to develop the statewide Health Information Exchange. The State will invest \$10 million to implement the Exchange.

While we made much progress in 2007, I also recognize that much remains to be done. Just this week, Gov. O'Malley signed an executive order to close the Rosewood Center, a staterun facility that has served individuals with developmental disabilities in Maryland for more than 100 years. Times have changed and so have our expectations. Much progress has been in caring for individuals and helping people to live to their fullest potential as members of the community. We will continue this transition process for Rosewood Center residents over the next 18 months in a thoughtful, deliberate manner until everyone who is able to live in the community finds a new home with services tailored to their individual needs.

We are also working to address the longstanding challenge of ensuring access to dental care for low income children. Last June we formed a Dental Action Committee to make recommendations on improving access. Overcoming the barriers that exist will be a gradual process. However, we are taking the first steps to implement the recommendations of the Dental Action Committee and achieve our goal of access to dental care for all of Maryland's children.

In closing, in order to achieve a healthy Maryland, we have to ensure the well-being of all our citizens. This means reducing racial and ethnic disparities; giving Marylanders the tools to practice healthy behaviors; providing home and community based care alternatives for Marylanders in need of long term care; and strengthening the public health infrastructure, which is invisible to our citizens when it is working best. I look forward to your collaboration as we work towards further progress in 2008.

Sincerely,

John M. Colmers Secretary